

BRITISH GOVERNMENT OIL MONOPOLY, BY SECRET GRIP ON ROYAL DUTCH COMBINE, CONTROLS ENTIRE WORLD'S SUPPLY

PETROLEUM OCTOPUS JEOPARDIZES U. S. IN ALL AMERICAN FIELDS

Operating Ostensible Private Chain of Companies Which Is Actually a Government-Owned System, England Excludes Americans From Fields Despite Latter's Prior Rights—Secret Deals Precipitate Crisis Which Secretary Fall Emphasizes in Letter to Senator Lodge

This is the seventh of a series of articles revealing the inside facts regarding the factors that dominate the whole disarmament question, written especially for The Washington Times by Henry Woodhouse. He is a foremost authority and leader of the national defense movement in which he took the initiative in 1918, when he started to organize aero squadrons for New York national guard and for different States.

By Henry Woodhouse

AUTHORITIES who have a broad view of the cardinal factors that make for war or peace agree that the basic purposes of the Washington conference will be defeated unless the international oil question is settled.

The Dutch commission appointed to investigate the general oil situation of the world made a clear estimate of the situation when in secret report to its government it expressed its belief that a world war was inevitable if the present oil-grabbing attitude of the great powers and their efforts to get control of the world's oil resources continue.

The great obstacles in the way of settling the oil question are as follows:

(1) The greatest obstacle is the secret Anglo-Dutch combine which has obtained control of the world's greatest oil resources, operating through apparently private, but in reality government-controlled corporations, and reaches out and usually gets control of unrestricted rights to exploitation of the world's great oil fields, from which Americans, like all other nationals, are

usually barred even when they have prior rights.

(2) The secret agreements and interlocking interests of the British and Dutch government-controlled oil monopoly have been withheld even from the British Parliament, therefore it will be necessary to reveal them before the oil question can be solved.

(3) The Anglo-Dutch oil monopoly has always acted under the guise of private corporations, usually through a number of subsidiary corporations acquired or formed in each country or state to best conform to the laws and ways of the land.

(4) The diplomatic impasse which resulted from the exchange of pointed notes between the United States, the British and the Dutch governments, can only be removed by frankness on the part of the British and Dutch governments regarding the terms of the agreement between the British Petroleum Department and the Anglo-Persian Oil Company, Ltd., the Turkish Petroleum Company, Ltd., the D'Arcy Exploration Co., Ltd., the Royal Dutch Company and the Shell Transport & Trading Co., Ltd. Agreements have been entered into by these corporations and their sub-

sidaries with the established or de facto governments of different lands regarding exclusive control and exploitation of oil lands to the exclusion of nationals of other countries, Americans included.

(5) Revealing the secret agreements which make the Anglo-Dutch world oil monopoly will not be a radical departure to Great Britain, but rather an extension of the policy adopted in connection with the San Remo conference regarding the pooling of certain British oil rights and claims with French oil rights and claims extending over certain lands in the Near East and elsewhere.

Crisis Serious, Says Fall

For two years the United States Government has been trying to fathom the depths of the mysterious Anglo-Dutch arrangement or combine which is seeking to monopolize the world's latest oil resources to the exclusion of Americans, though this combine is operating extensively and unrestricted in the United States.

The subject has been dealt with in many unpublished official communications between President Harding, the Department of State, Congress, the Department of the Interior and other Government departments and officials. The following extracts from a letter of ex-Secretary of the Interior, Albert B. Fall to Senator Henry Cabot Lodge, Chairman of Senate Committee on Foreign Relations, referring to the Anglo-Dutch oil monopoly shows that the United States Government knows much more about the matter than Great Britain suspects:

The Secretary of the Interior, Washington, March 21, 1921. "Hon. Henry Cabot Lodge, United States Senate, Washington. "My dear Senator:

"I cannot speak for others, but I may say for myself that I am most thoroughly impressed with the seriousness of the present crisis with relation to the oil development throughout the world.

"I say 'crisis,' and desire to emphasize 'crisis' as the proper expression to use under the circumstances.

"Various bureaus and departments of this Government have endeavored, particularly within the last two years, to throw some light upon true conditions with relation to oil and to arouse the patriotic

WARNS OF OIL CRISIS



SECRETARY OF THE INTERIOR FALL.

American people to the realization that truly we are confronted with a 'crisis' which will have a serious influence upon the future prosperity as the 'crisis' may be met and dealt with intelligently or otherwise.

"Other nations are aware of the seriousness of the situation, and Great Britain learned at least one lesson from the recent war. That is to say, that the nation which controlled the oil industry controlled commerce by sea, in view of the fact that no coal burner can compete with an oil-burning ship.

"Realizing this, Great Britain, the nation, has, within the last two years particularly, followed a policy of obtaining governmental control of all the great oil companies in which British subjects had been interested, and, going beyond this, has secured

practical, if not sole, control of the great Royal Dutch-Shell and other foreign companies, particularly through what is known as the Royal Dutch-Shell group combine, which was effected in January, 1917.

"Of course, it is impossible to give exact figures, but our Government, through at least two of its departments, has information satisfactory beyond question that the British government actually controls the Royal Dutch-Shell combine, 60 per cent of the stock of which is owned by the Royal Dutch and 40 per cent of whose stock was owned by the Shell Transport & Trading Co., Ltd., a map of the world, showing more graphically the situation with reference to oil, as such situation is being influenced by the Royal Dutch Shell combination.

"Extending from Holland and

England, you will notice the lines of the industries of this combination reaching all over the world.

"From the best information obtainable, the actual investments in money and value of property of British nationally owned oil companies are practically double in amount the capitalization of all American oil companies operating in the United States and elsewhere.

U. S. Oil Men Handicapped

"The American oil developer and producer in the United States, in Mexico, in Mesopotamia, in Africa, in South America and elsewhere, working by himself, with practically no protection from his Government, and abused and vilified by American authorities in high places, must come in competition with the great British nation, realizing its duty to itself and encouraging and supporting its citizens with national funds wherever they may be able to obtain a footing through private manipulation or national influence in every country of the world.

"The Royal Dutch-Shell combine owned by Great Britain, as will be seen from this map inclosed, from the diagram handed you, and from the list of producing, etc., companies attached to this map, controls the oil fields of Venezuela, which are developing by leaps and bounds into magnificent, wonderful oil producers.

"Adjoining these Venezuela fields to the east lie the Columbian oil fields, as yet largely undeveloped, and which can never be developed properly except by the investment of tens of millions of dollars in the construction of pipe lines to the seacoast.

"The matters just referred to—that is, the fact that Great Britain as a nation has gone into the oil business since the report of the Senate minority was made in 1917, show a change in conditions since the latter date as will justify very serious thought and even serious effort to meet conditions as they now exist.

Fears Japan's Inroads.

"Remember this, Senator, the American investor in the Orient must come into competition with the Japanese government in all trade activities; American oil developers and producers must come in competition, throughout the world and upon his own soil, with the

"For Two Years the United States Has Been Trying to Fathom the Mysterious Combinations of the Anglo-Dutch Arrangement," Says Mr. Woodhouse—Combine Operates Unrestrictedly in Plans to Control All the Vast American Reserves of Oil.

great British government as a government engaged in the same activities. Have not conditions changed?

"Are we not justified in reconsidering preconceived ideas based, possibly, upon an erroneous understanding of the then existing conditions and concerning which conditions at least have changed during the last two years?

"Most sincerely yours,

(Signed) "ALBERT B. FALL."

Secretary Fall transmitted to Senator Lodge a list of 123 producing, distributing and marketing oil companies controlled as far as known, on April 20, 1919, by the Royal Dutch-Shell combination, which is only one of the four British oil groups that form the world-wide British oil monopoly.

The corporations controlled by the British oil monopoly are far more numerous and extensive even than this shows.

As a matter of fact, the Anglo-Persian Oil Company, which is acknowledged to be controlled by the British government, has control of huge oil resources and is conducting extensive operations throughout the world direct and through its many large subsidiary corporations that are not included in the above list.

There is no doubt about the stock control of the Anglo-Persian Oil Company being held by the British government, nor of there being secret agreements between the Anglo-Persian Oil Company and the Royal Dutch-Shell combine. That much was acknowledged in the British Parliament, as shown by the following quotations from the official records:

Vicount Curzon asked the chancellor of the exchequer how many shares the British government now holds in the Anglo-Persian Oil Company? What is the present value of the shares? For how long the government will retain this holding

in share? If it is the intention of the government to dispose of the shares in any way? And, if so, what action they propose to take?

MR. CHAMBERLAIN: His Majesty's government holds in the Anglo-Persian Oil Co. 5,000,000 ordinary shares, 1,000 preference shares and 199,000 debentures. "There is no market quotation for the ordinary shares. The government has no intention of disposing of its holdings."

British Admit Control.

Vicount Curzon asked the prime minister whether he will state the terms of the contract under which the Anglo-Persian Oil Co., in which the British government has a controlling interest, agrees to supply the Shell Oil Co. with its produce until the end of the year.

SIR H. GREENWOOD: I regret that I am unable to disclose the terms of commercial contracts entered into by the Anglo-Persian Oil Co. This contract, as I have previously stated, was concluded in 1912, before His Majesty's government acquired an interest in the company.

SIR J. D. REES: Is it not the case that when the contract was entered into there was absolutely no other means of marketing the oil which was so much required?

SIR H. GREENWOOD: "The answer to the second supplementary question of the honorable gentleman [Sir J. D. Rees] is, in the main, correct. The government took control over the company in 1914 and agreed that it would not interfere with the company; therefore I am not in a position to disclose them."

Thus the terms of the secret agreements are kept from even the English people in parliament!

Other articles dealing with the Anglo-British oil monopoly will be published in The Washington Times during the week.

"OLD-TIMER" RECALLS POLICE SHAKE-UP OF FORTY YEARS AGO

PREACHER FLEEED BY '3-CARD MONTE' KING SET CAPITAL BUZZING

In the Days When Liquor Flowed Right Along Side the Potomac the Card Sharps Made Washington a Mecca for Operations. Strangers to the City Inevitably Fell Into the Hands of Fake Constables, Bogus Information Bureaus or Make-Believe Officials, Who Preyed on Visitors.

By CAPT. J. WALTER MITCHELL.

The Washington police department is to be investigated by Congress.

There are some who declare the Capital is the storm center of a crime cyclone and demand to know why. These have laid their complaint before Congressman Roy G. Fitzgerald of Ohio. This statesman has received a large assortment of complaints against crime and criminals in the Capital. Daring depredations of hold-up men and "jimmy" operators; bootleggers and rum-runners; confidence men and cranks; speed maniacs, gamblers and humble hobs. His varied collection of communications would fill a hefty volume on vice, it is said.

Congressman Fitzgerald hails from Dayton where the national soldiers' home is frequently investigated. He has requested Congress to insert a probe into the police department to make Washington safe in the candlelight hours particularly.

A dual demand is that the District should also be cleaned up of suspicious characters in advance of the disarmament conference—and then kept clean.

Recalls Previous Quiz.

Should Congress decide to investigate it will be the second time in my recollection of more than half a century that such an inquiry was made. In 1883, while I was a member of the news staff of the Evening Critic, long since at peace in the graveyard of Washington newspapers, Congress was called upon to take cognizance of the testimony taken

mittes launched into a searching investigation. Front page stories were secured every day by the local newspapers while the press associations carried long dispatches of the spicy proceedings. Men of affairs contributed their time to the investigation with the view of ridding the District of the confidence gang who already had given Washington a bad name throughout the country by the boldness of their transactions and the large number of visitors from everywhere who had fallen victims of their cupidity.

One day soon after the inquiry was launched the committee, while in session, was amazed when one of the investigators for the citizens called upon President Thompson to inform him that a "fence" in full and successful operation had been discovered in a shoemaker's shop on New York avenue, between Fourteenth and Fifteenth streets northwest. The investigators thereupon vigorously renewed their efforts and ran down all the so-called "monte men."

Disguised as Guide.

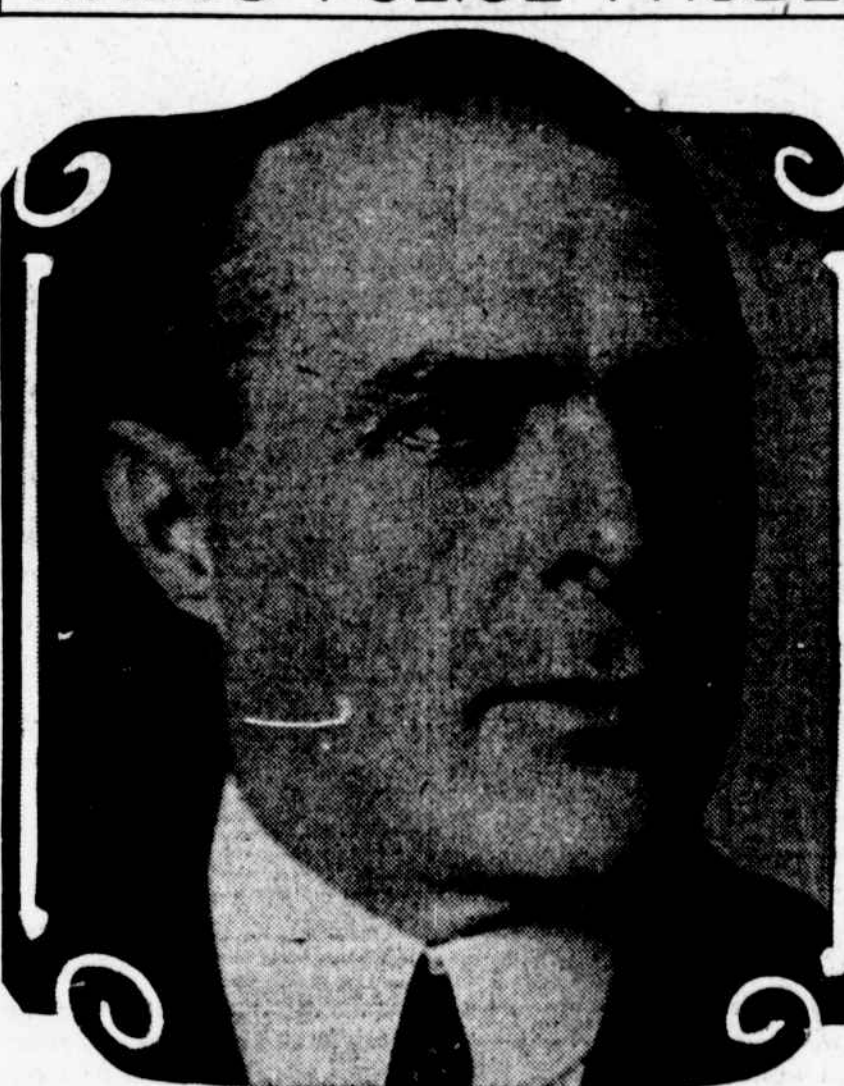
Two of the leaders were Charles O'Leary and John Skivington. They were the master minds and directed the operations of their followers. The latter, disguised as city guides, loitered about the White House, Capitol grounds, and departments seeking "come-ons," as their victims were designated. The monte workers wore large polished badges inscribed, "City Guide." When they secured a "come-on" the bogus guides escorted him to a secluded place, generally the grounds of the Washington Monument, then grown up with weeds, where they invited him to play a game of "shell" or monte, and few, if any, escaped being fleeced.

When a Philadelphia preacher was unwittingly induced to enter a game of monte with spectacular results, another working place of the gang was unearthed.

Skivington, from his lookout in the Monument grounds, spied a clerical-looking individual hiking to the Bureau of Engraving and Printing to witness Uncle Sam's process of making money. Taking a near cut to the bureau, Skivington entered the vestibule of the front door and, removing his coat, went forth to gather in the clerical stranger.

As Skivington, in the act of putting on his coat, emerged from the front gate of the bureau, he addressed the preacher:

WANTS POLICE PROBE



Congressman Roy G. Fitzgerald of Ohio.

"Going into the bureau?" The stranger explained that he desired to see the money-making process.

"Sorry, but the department is closed this afternoon—half-holiday."

Skivington then glibly informed the minister that the occasion of the holiday was to permit the employees to take part in an important patriotic ceremony at Arlington—the unveiling of a monument to General Custer, the great cavalier.

"It is near time for the exercises to begin," the monte man said, "and I have a small boat down by the river's bank only a short distance away. I will be glad to ferry you across the Potomac."

The preacher accepted the invitation. On the other side a group of men were assembled, the central figure being a Kentucky drover, who was seemingly intoxicated. The men about him were gamblers

who had succeeded in getting the drunken drover into a monte game. He had lost all his money from the sale of a car of Kentucky thoroughbreds. The drover was in a fighting mood and said he would clean up the crooks.

"Let's recover that poor drover's money from those sharks and surprise him by restoring his roll tomorrow when he's sober," Skivington said to the minister.

He explained that he could beat the man who invented three-card monte, and said he, too, had been an expert gambler before he embraced religion. He said to help the drover win back the money, taken from him while he was wild from drink, would be an act of Christian charity.

"But I am a man of the cloth, and the pastor of a large congregation," Skivington explained that he

would do the playing if the minister would back him financially. He would use his own funds if he had any, he said, but pay day was some time off. As an act of charity and mercy the minister consented. He passed a bundle of greenbacks to Skivington, who with an air of bravado sallied up to the gamblers with the salutation:

"Hey, there, my hearties; may another fellow get into the game?"

The players made room for him and he promptly lost the preacher's money, and then the man of the cloth let "Skiv" have his valuable gold watch, stating he was sure it would bring the desired results and maybe the redemption of the drunken drover. The watch was put up as a stake, and it, too, went into the coffers of the robbers. As an argument arose between Skiv and the monte man, there was a sudden commotion in the bushes surrounding the clearing where strangers were fleeced and five big, husky Virginia constables armed with shot-guns advanced into the circle. Leveling their guns at the gamblers their leader commanded:

"Throw up your hands; you're under arrest."

Instead of obeying the command the gamblers ran wildly to the river where their boats were moored. Skivington in the lead. The Virginia law officers closed about the ill-fated preacher and informed him he was a prisoner with a penitentiary sentence "staring him in the face."

Film-flamed Twice.

"This will be my ruination," the minister moaned, "and all because I tried to help an intoxicated stranger."

The constables, who were members of the O'Leary-Skivington monte gang, as were the players and bogus Kentucky drover, agreed to loosen up on the preacher to prevent an expose of his gambling on the green and loss of prestige, provided the man of the cloth would do as they commanded.

"The good man promptly consented. He was placed on a path and faced toward Alexandria, about six miles away.

"Now," said the leader of the alleged posse, a big, gruff fellow, when we give the signal to start, make your very best speed to Alexandria, and don't stop till you get there.

"Bang-bang!" roared a double-barrelled shot gun in the hands of the leader. The minister sprang upward in a mighty bound and

GAMBLERS ALL WORE "CITY GUIDE" BADGES TO CORRAL "COME-ONS"

Capt. Walter Mitchell, Veteran Reporter, Proves That There Is Nothing New Under the Sun by Reminiscences of Days When Washington Detective Force Was Turned Out to a Man Because of Gamblers' Reign of Lawlessness. Citizens Had Vigilance Committee at Work.

went forward like an arrow.

"Bang-bang" spoke another shot gun, as the preacher disappeared in a jungle and no doubt reached the ancient city in record-breaking time. He borrowed money to pay his fare to Washington from an Alexandria divine, and left Washington without making complaint to the police authorities. The details of the serio-comic affairs were given me years afterward by O'Leary and Skivington.

About the time the monte men were operating so successfully the city became agitated over the appearance here of a mysterious fellow who was given the pseudonym "Jack the Ripper," by the police. All efforts to apprehend the vandal failed. Armed with a sharp knife or razor he slashed the garments of women on the streets and in stores, generally selecting places of congestion. Every day for weeks victims resorted to police headquarters cases of vandalism. Eventually the fellow was captured and "put away" for a long term. He proved to be a victim of dementia with criminal tendencies.

Detectives Are Fired.

The evidence accumulated by the committee headed by John W. Thompson, was laid before the District of Columbia committee of both houses of Congress. The result was that a bill was passed legislating out of office all the headquarters detectives. The testimony not only dealt with the monte men but with immunity given professional thieves in case

who returned to the detectives lost they had taken in local robberies.

The old-time detectives were generally sequestered from civil life without regard to police experience. Seldom was a uniformed officer promoted to be a plain clothes man at headquarters. The law permitted this procedure. The repeal of this act required that uniformed men should be promoted to detectives for merit. Although the men comprising the old detective force were dismissed by action of Congress, they were acknowledged to be among the best and most successful sleuths in this country. It was afterward admitted that it was police expediency to give immunity to crooks under certain conditions. The Washington detectives were acquainted with all the professional thieves and warned them never to come to this city without permission of detective headquarters. When they did come here on business or pleasure, they were required to register at headquarters and give an account of their movements minutely.

Only one member of the old detective corps survives. John Sergeant, proprietor of an establishment for the sale of antiques, on E street between Tenth and Eleventh streets northwest. Referring to Sergeant yesterday, a venerable patrolman said:

"John has by his credit the solution of many big crimes in the District. He was known as the diplomat of the detectives and won commendation from his superiors and the public. He is the last of the 'Buffalo Bulls,' but has not yet been butted out of the herd."